

Message Text

SECRET POSS DUPE

PAGE 01 LONDON 00554 01 OF 02 141602Z

50

ACTION EUR-10

INFO OCT-01 SS-14 ISO-00 NEA-06 PM-03 CIAE-00 INR-10

NSAE-00 RSC-01 DODE-00 NSC-10 NSCE-00 MC-02 ACDA-10

DRC-01 L-02 PRS-01 /071 W
----- 095428

R 141542Z JAN 74

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 7044

INFO AMBASSY ISLAMABAD 8064

AMEMBASSY KABUL

AMEMBASSY MOSCOW

AMEMBASSY NEW DELHI

AMEMBASSY TEHRAN

S E C R E T SECTION 01 OF 02 LONDON 00554

LIMDIS

E.O. 11652: XGDS-1

TAGS: MASS, UK, IN

SUBJECT: BRITISH MILITARY SUPPLY RELATIONSHIP WITH INDIA

REF: LONDON USDAO 2504 OF JANUARY 10 RPTD NEW DELHI

SUMMARY: INDIANS HAVE NEARLY COMPLETED NEGOTIATIONS FOR TWO NAVY CORVETTES AND UNSPECIFIED NUMBER OF JAGUAR AIRCRAFT THOUGH NEGOTIATIONS TEMPORARILY STALLED BECAUSE OF OIL CRISIS. ALSO DISCUSSED HARRIER VTO AIRCRAFT. NEW DEFSEC GILMOUR LIKELY TO VISIT INDIA IN NEAR FUTURE. END SUMMARY

1. ON JANUARY 11 FCO SOUTH ASIAN DEPT. HEAD CHALMERS FILLED US IN ON STATE OF BRITISH ARMS SUPPLY TALKS WITH INDIANS. HE SAID INDIANS HAD EXPRESSED DESIRE FOR MODEST ALTERNATIVE TO SOVIETS AS ARMS SUPPLY SOURCE, AND HAD BEGUN DISCUSSIONS WITH BRITISH EARLY LAST SUMMER.

SECRET

SECRET

PAGE 02 LONDON 00554 01 OF 02 141602Z

2. OIL CRISIS, AND CONSEQUENT INDIAN BUDGETARY UNCER-

TAINTIES, INTERRUPTED NEGOTIATIONS FOR SEVERAL ITEMS. MOST ADVANCED WAS DEAL FOR TWO NEW NAVY CORVETTES AMOUNTING TO ABOUT 30 MILLION POUNDS. CORVETTES WOULD TAKE 3-4 YEARS TO BUILD, AND INDIANS HAD AGREED TO NORMAL BRITISH CREDIT TERMS (IN NEIGHBORHOOD OF 5 YEARS, HE THOUGHT). INDIAN CABINET HAD APPROVED DEAL.

3. SOMEWHAT LESS ADVANCED (NOT APPROVED BY INDIAN CABINET NOR CREDIT TERMS DISCUSSED) WAS DEAL FOR JAGUAR AIRCRAFT (HE DID NOT KNOW EXACT NUMBER) OF VALUE IN NEIGHBORHOOD OF 30-35 MILLION POUNDS. THIS WOULD PROBABLY BE ONLY FIRST TRANCHE OF AN ONGOING PROGRAM WHICH COULD REACH 100-120 MILLION POUNDS OVER PERIOD OF TIME. INDIAN MANUFACTURE OF SOME PARTS ENVISAGED FOR LATER PROGRAM.

4. MARITIME HARRIER VERTICAL TAKE-OFF AIRCRAFT AMONG SEVERAL OTHER ITEMS DISCUSSED BUT NO DECISIONS TAKEN. HE CONFIRMED THAT DAILY TELEGRAPH ITEM OF JANUARY 4 (REFTEL) WAS ERRONEOUS IN SAYING INDIANS HAD DECIDED AGAINST HARRIERS. HE ALSO SAID IT WAS PREMATURE TO SPECULATE ON NUMBERS AND VALUE. LEAD TIME LIKELY TO BE 5-8 YEARS ANYWAY. (NOTE: CHALMERS INTIMATED THAT AN ORDER FOR HARRIERS FROM IRAN IS LIKELY TO TAKE PRECEDENCE.)

5. CHALMERS ADDED THAT TWO OFFICIAL BRITISH VISITS TO INDIA HAD BEEN SCHEDULED BUT THEN POSTPONED. IN MID-JANUARY IAN GILMOUR, FORMERLY MINISTER OF STATE FOR DEFENSE, WAS TO HAVE VISITED INDIA AT INVITATION OF DEFENSE PRODUCTION MINISTER SHUKLA. SECRETARY OF STATE FOR DEFENSE CARRINGTON WAS TO HAVE FOLLOWED WITH A VISIT

SECRET

NNN

SECRET POSS DUPE

PAGE 01 LONDON 00554 02 OF 02 141554Z

50

ACTION EUR-10

INFO OCT-01 SS-14 ISO-00 NEA-06 PM-03 CIAE-00 INR-10

NSAE-00 RSC-01 DODE-00 NSC-10 NSCE-00 MC-02 ACDA-10

L-02 PRS-01 DRC-01 /071 W

----- 095383

R 141542Z JAN 74

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 7045

INFO AMEMBASSY ISLAMABAD

AMEMBASSY KABUL

AMEMBASSY MOSCOW

AMEMBASSY NEW DELHI

AMEMBASSY TEHRAN

S E C R E T SECTION 02 OF 02 LONDON 00554

LIMDIS

IN FEBRUARY AT INVITATION OF DEFENSE MINISTER RAM.
(CHALMERS CONFIDED THAT CLOSENESS OF VISITS RESULTED
FROM GILMOUR BEING INVITED FIRST, AND PREFERRING NOT
TO GIVE UP TRIP WHEN CARRINGTON SUBSEQUENTLY INVITED.)
IT HAD BEEN EXPECTED THAT DEAL FOR CORVETTE WOULD BE
SIGNED, AND DEAL FOR JAGUARS SIGNIFICANTLY ADVANCED,
DURING THOSE VISITS. BOTH VISITS HAD OF COURSE BEEN
AFFECTED BY CARRINGTON'S MOVE TO TAKE CHARGE OF ENERGY
AND GILMOUR'S ELEVATION TO TOP JOB IN DEFENSE. PRESUM-
ABLY GILMOUR'S VISIT AT LEAST WOULD BE RESCHEDULED,
AND SOME PROGRESS ON PROSPECTIVE DEALS MADE, IF INDIAN
BUDGETARY SITUATION HAD CLARIFIED.

6. FINALLY, IN RESPONSE TO OUR QUESTION, CHALMERS
SAID BRITISH HAD NO FIRM INFORMATION ON POSSIBLE INDIAN
PURCHASE OF ANTI-TANK MISSILES FROM THE SOVIETS (AS HAD
BEEN RUMORED IN THE PRESS), BUT HE THOUGHT INDIANS, LIKE
MANY OTHERS, HAD BEEN IMPRESSED BY EFFECTIVENESS OF
SOVIET ANTI-TANK AND ANTI-AIRCRAFT MISSILES IN RECENT

SECRET

SECRET

PAGE 02 LONDON 00554 02 OF 02 141554Z

ARAB-ISRAELI WAR.

7. ADDRESSEES PLEASE HOLD ABOVE INFORMATION CLOSELY.

SOHM

SECRET

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY AIRCRAFT, MILITARY SALES, VERTICAL TAKEOFF AIRCRAFT, ANTITANK WEAPONS, SAM
Control Number: n/a
Copy: SINGLE
Draft Date: 14 JAN 1974
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974LONDON00554
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X1
Errors: N/A
Film Number: n/a
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740144/aaaabpfq.tel
Line Count: 159
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: SECRET
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: SECRET
Previous Handling Restrictions: LIMDIS
Reference: LONDON USDAO 2504 OF JANUARY 10 RPTD
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 19 JUL 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19-Jul-2001 by boyleja>; APPROVED <24 DEC 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BRITISH MILITARY SUPPLY RELATIONSHIP WITH INDIA
TAGS: MASS, UK, IN, IR, UR
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005